

Translation from German language.

The German text is authoritative.

Consolidated Financial Information for the
period from January 1 to June 30, 2022
according to the

International Financial Reporting Standards (EU)

Review Report

ESPG AG (formerly: Diok RealEstate AG)

Köln

Consolidated Financial Information

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ESPG AG (formerly: Diok RealEstate AG)

Consolidated Balance Sheet

in €	June 30, 2022	December 31, 2021
Assets		
NON-CURRENT ASSETS		
Intangible assets	2,636.01	3,885.00
Property, plant and equipment	351,044.62	296,936.11
Investment Properties	223,900,000.00	205,790,000.00
Lending	8,409,138.17	7,754,191.07
Other non-current assets	919,942.26	919,942.26
Deferred tax assets	23,437.88	18,746.19
Total non-current assets	233,606,198.93	214,783,700.62
CURRENT ASSETS		
Receivables from supplies and services	208,699.38	522,667.60
Income tax receivables	102,405.40	133,414.04
Other current receivables and assets	1,584,679.71	865,206.22
Cash and cash equivalents	3,206,084.82	3,672,326.84
Total current assets	5,101,869.31	5,193,614.70
Total assets	238,708,068.24	219,977,315.32
Equity and liabilities		
EQUITY		
Subscribed capital	23,431,820.00	23,431,820.00
Capital reserves	-17,289,387.67	-17,289,387.67
Group retained earning	24,184,635.99	23,904,568.43
Gains and losses attributable to the parent company's shareholders	30,327,068.32	30,047,000.77
Non-controlling interests	9,218,024.64	8,390,906.73
Total equity	39,545,092.96	38,437,907.50
NON-CURRENT LIABILITIES		
Deferred tax liabilities	9,756,314.46	9,577,354.49
Bond	42,588,842.99	42,195,980.19
Liabilities to banks	95,483,331.04	107,965,609.22
Liabilities to companies in which participations are held	3,086,104.01	0.00
Other non-current liabilities	918,942.26	949,657.20
Total non-current liabilities	151,833,534.76	160,688,601.11
CURRENT LIABILITIES		
Liabilities to banks	42,056,509.70	17,543,022.49
Trade liabilities	520,311.25	267,798.30
Income tax liabilities	537,735.06	603,076.95
Other liabilities	4,214,884.51	2,436,908.97
Total current liabilities	47,329,440.52	20,850,806.72
Total equity and liabilities	238,708,068.24	219,977,315.32

ESPG AG (formerly: Diok RealEstate AG)

Consolidated Income Statement

in €	<u>Jan 1 - Jun 30, 2022</u>	<u>Jan 1 - Jun 30, 2021</u>
Revenues from property management	5,047,678.53	5,064,091.51
Property management related expenses	<u>-1,542,915.89</u>	<u>-1,556,674.62</u>
Results from property management	3,504,762.64	3,507,416.89
Personnel expenses	-526,088.92	-456,878.74
Other operating income	469,398.43	86,129.05
Other operating expenses	-724,051.06	-952,933.31
Depreciation and amortisation of property, plant, and equipment and intangible assets	-62,877.17	-58,827.74
Valuation results from investment property	<u>2,280,007.97</u>	<u>-96,976.76</u>
Earnings before interest and taxes (EBIT)	4,941,151.89	2,027,929.39
Financial income	286,118.02	126,500.54
Financial expenses	<u>-4,179,279.89</u>	<u>-4,602,809.01</u>
Earnings before tax (EBT)	1,047,990.02	-2,448,379.08
Income tax	<u>-504,060.45</u>	<u>-197,518.02</u>
Total consolidated income	<u>543,929.58</u>	<u>-2,645,897.10</u>
Of the consolidated profit or loss:		
Shareholders of the parent company	280,067.55	-2,666,818.88
Shares of minority shareholders	263,862.02	20,921.78
Of the total consolidated income:		
Shareholders of the parent company	280,067.55	-2,666,818.88
Shares of minority shareholders	263,862.02	20,921.78

ESPG AG (formerly: Diok RealEstate AG)

Consolidated Statement of Changes in Equity

in €	<u>Subscribed capital</u>	<u>Capital reserves</u>	<u>Group retained earning</u>	<u>Gains and losses attributable to the parent company's shareholders</u>	<u>Shares of minority shareholders</u>	<u>Shares of minority shareholders</u>
As at January 1, 2021	23,431,820.00	-17,385,625.47	28,494,155.53	34,540,350.06	3,262,766.97	37,803,117.03
Consolidated profit or loss January 1 - June 30, 2021	0.00	0.00	-2,666,818.88	-2,666,818.88	20,921.78	-2,645,897.10
Change in scope of consolidation or in the percentage of shares held	0.00	96,237.80	0.00	96,237.80	5,091,749.51	5,187,987.31
As at June 30, 2021	23,431,820.00	-17,289,387.67	25,827,336.65	31,969,768.98	8,375,438.26	40,345,207.24
Consolidated profit or loss July 1 - December 31, 2021	0.00	0.00	-1,922,768.22	-1,922,768.21	15,468.47	-1,907,299.74
As at December 31, 2021	23,431,820.00	-17,289,387.67	23,904,568.43	30,047,000.77	8,390,906.73	38,437,907.50
Consolidated profit or loss January 1 - June 30, 2022	0.00	0.00	280,067.55	280,067.55	263,862.02	543,929.58
Change in scope of consolidation	0.00	0.00	0.00	0.00	563,255.88	563,255.88
As at June 30, 2022	23,431,820.00	-17,289,387.67	24,184,635.99	30,327,068.32	9,218,024.63	39,545,092.95

ESPG AG (formerly: Diok RealEstate AG)

Consolidated Cash Flow Statement

in €	<u>Jan 1 - Jun 30, 2022</u>	<u>Jan 1 - Jun 30, 2021</u>
Earnings before interest and taxes	4,941,151.89	2,027,929.39
Non-cash expenses/income:		
Fair value adjustments of investment properties	-2,280,007.97	96,976.76
Amortisation of intangible assets	62,877.17	58,827.74
other non cash expenses/income	40,398.60	-11,975.11
Changes in net working capital:		
Changes in receivables and other current assets	-19,394.12	238,532.21
Changes in operating liabilities	15,816.78	17,588.03
Operating Cashflow	2,760,842.35	2,427,879.02
Interests and additional financial expenses paid	-2,290,278.90	-2,480,380.93
Interests received	6,342.61	230,250.11
Income tax payments	-366,621.33	1,689.39
Cashflow from operating activities	110,284.73	179,437.59
Payments for the acquisition of real estate property companies less net cash acquired	-4,797,340.46	0.00
Payments for investments in property investments	0.00	-96,350.78
Cash recieved from sold Investment Properties	0.00	4,758,477.19
Payments for granted non-current loans	-450,000.00	-2,220,000.00
Repayments of non-current loans	0.00	3,746,148.29
Payments for investments in tangible and intangible assets	-48,631.85	-28,721.84
Cashflow from investment activities	-5,295,972.31	6,159,552.86
Cash received from the issuance of bonds	0.00	1,129,334.74
Cash received from credit agreements	31,683,456.19	34,350,000.00
Cash recieved from shareholder loans	3,091,209.97	0.00
Payments from repaying credit agreements	-30,013,287.92	-44,946,219.99
Payments from repaying loans	-41,932.67	-38,883.04
Cashflow from financing activities	4,719,445.56	-9,505,768.29
Net change in cash	-466,242.02	-3,166,777.84
Cash at the beginning of the period	3,672,326.84	9,126,092.91
Cash at the end of the period	3,206,084.82	5,959,315.07
Unrestricted cash at the end of the period	2,347,084.82	5,150,315.07
Restricted cash at the end of the period	859,000.00	809,000.00

Review Report

To ESPG AG (formerly: Diok RealEstate AG), Köln:

We have reviewed the Consolidated Financial Information - comprising Consolidated Balance Sheet as at June 30, 2022, Consolidated Income Statement, Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement for the period from January 1 to June 30, 2022 but without Selected Explanatory Notes or Disclosures in accordance with IAS 34. Therefore, this Consolidated Financial Information does not fulfill the requirements of IAS 34 for interim financial reporting.

The preparation of these Consolidated Financial Information in accordance with the IFRS, as adopted by the EU, is the responsibility of the company's management. Our responsibility is to issue a report on these Consolidated Financial Information based on our review.

We performed our review of the Consolidated Financial Information in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). These standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the Consolidated Financial Information have not been prepared, in material respects, in accordance with the IFRS, adopted by the EU. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the Consolidated Financial Information have not been prepared in accordance with the IFRS, adopted by the EU.

Without restricting this assessment, we point out that analogous to the procedure in previous years for the purpose of the half-year financial statements, the last expert's valuation of the investment properties was performed on December 31 of the previous year. The expert's valuation from December 31, 2021 considered a short-term decrease of the vacancy rate of the properties. For June 31, 2022 the vacancy rate couldn't be decreased as planned. The management expects a successful trend according to the conducted dialogues with potential tenants though. The company therefore did not consider it necessary to update the expert's valuation to June 31, 2022. The valuation of the property in Griesheim acquired in the first half of 2022 was based on the company's own assessment.

Furthermore, without restricting this assessment, we point out that the Company reports short-term financial liabilities of EUR 42.6 million in the consolidated statement as of June 30, 2022. Of this amount, EUR 31.4 million will become due for payment at the end of May 2023. Discussions on refinancing are currently being held. If refinancing is not possible, risks could arise that could endanger the company's continued existence.

Hamburg, December 19, 2022

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